

CONSULTATIVE MANAGEMENT

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The Manager who consults with employees before making policies or decisions affecting them has a consultative philosophy. This process of leading others by helping them find satisfaction through participation and consultation is called Consultative Management.

A Consultative Management Code

Viewpoints of administrators and executives account for their actions. Their actions may affect the lives, the destinies and fortunes of millions of people, so the question quite naturally arises as to the desirability of an "executive rule of conduct," or a code perhaps, that can be followed. We all know the Golden Rule, we try to apply it in our personal relations, and we have learned that it is good. We have learned the Ten Commandments and we know the Sermon on the Mount and recognize their values.

Perhaps we were Scouts in our youth and now reflect with a degree of nostalgia on the Scout Oath and the Scout Laws. We have heard that lawyers take some kind of oath when they are admitted to the Bar, and because we have confidence in our physicians, surgeons, and dentists, we believe that they try to live up to their Hippocratic Oath.

As Business Managers, our statement of beliefs is a useful and workable guideline in the sincere effort to "feel right and do right." The best way to clarify one's thoughts is to put them in writing. Give frank recognition to the unavoidable obligations which management accepts, based on management's recognition of the rights of public and the separate individuals which comprise it.

Some Major Values of Consultative Management Are:1. Increases Productivity

In most situations where consultative management has been adopted as an operating management policy, productivity has risen substantially. Another striking fact is that whenever employees have been asked to

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help management set improvement goals, the employees have set higher standards than management would have without their participation.

2. Utilizes Valuable Experience

The management that thinks it has all the answers and that employees have nothing to contribute but muscles is overlooking one of the major assets in the organization. There is a vast wealth of valuable experience going to waste in most organizations. Consultative Management helps tap the veins of golden experience latent in the backgrounds of those who do the work.

3. Frees Executive From Detail

When you share the opportunity to discuss improvements, solve problems, formulate policies, and make decisions, you find that subordinates not only give you good ideas but they reach out for more work and responsibility. They help to do it.

4. Fosters, Secures, and Maintains Coordination

Coordination depends on communications. Consultative Management builds communication. It builds lines of communication up, down, and across the organization. The enthusiastic cooperation of these inter-related groups can best be built by the methods of consultative management.

5. Builds and Maintains High Morale

Consultative Management can remove many of the causes of employee dissatisfaction. Employees who find release of satisfactions have high morale. Higher morale and job satisfaction result in lower turnover.

6. Opportunity to Improve Subordinates

Conferring with subordinates can give these results:

1. Broadens the subordinate knowledge and interests;
2. Gives experience at thinking one level higher;
3. Training in systematic thinking;
4. Training them in decision-making.

And not only does conferring develop the subordinate, but it develops the developer.

Code of Employee Rights

While this is but a superficial look at some of the rights of employees today, the point should be clear that they do have rights, and that a general acceptance of something resembling a code of employee rights is gradually being built up and constantly defined and refined.

One of the fundamental obligations of management is to recognize that human beings unlike machines are unique in that they differ from one another; They are constituted differently, they have different backgrounds, they are motivated differently, and they have different standards and goals.

Certainly one of the obligations of management is to recognize that the employee has the right to enjoy his job and his work. The job must provide satisfaction in addition to pay. Most working people are not producing as they should and can. The lack of will to work is often thought of as a major plague in this country. In Consultative Management the manager's function is to help employees release their full potential through supporting, assisting and showing, rather than directing.

The Price of Freedom From Control

In recent years, management has resented the rapid increase of governmental restrictions and limitations on its freedom of action. Many of these restrictions have been directly connected with personnel administration. Governmental intervention in such matters is due to public pressure which, in turn, is a direct (although often delayed) consequence of management's own failure to assume the necessary responsibility. The only way to reverse the trend is for management to assume such responsibility individually and collectively. A few leaders are beginning to recognize that the only alternative to increasing centralized governmental control lies in the acceptance of a high order of responsibility for human relations and human welfare at the level of the individual company.

Summary

Action initiated by the responsible head of a business (or a department) to bring his subordinates into the picture on matters of mutual concern is not a sharing of his prerogatives, nor a diluting of his authority. Rather, it is an extension of the opportunity to participate in assembling the facts and in bringing out the points of view on which a decision has to be based.

The participative principle offers much to a management genuinely desirous of creating conditions which will encourage collaboration toward the achievement of the objectives of the business. The effective manager is the man who knows how to motivate people by leveling with them. We manipulate people when we fail to level with them. Insincerity by propaganda are short term satisfactions and in time recognized by the employee. If a manager asks for employees opinions, and then does not consider them in the final decision, he has manipulated employees to feel that they are participating. Manipulative devices have often tended to engender suspicion and mistrust in employees, and soon they feel they are no longer recognized as human beings.

If used sincerely, consultative management provides employees with opportunities to discover through experience what our private enterprise economy is and how it operates. Consultative Management provides for "on the job" satisfactions, it offers a path to the solution of many a technical problem, it recognizes people and brings dignity to their jobs, it taps the creative imagination and ingenuity which has made Americans famous, and it can banish fear and dependence by giving members of the organization an opportunity of guiding, to a degree, their own destiny. Consultative Management offers a way to encourage the development of genuine personal responsibility among all members of the organization.